



FEDERAL COMMUNICATIONS COMMISSION
Enforcement Bureau, Investigations and Hearings Division
445 12th Street S.W., Room 3-B443
Washington, D.C. 20554

November 19, 2003

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED
and FACSIMILE (202) 408-4805

Michelle Thomas
Executive Director
Federal Regulatory
SBC Communications, Inc.
1401 I Street, N.W., Suite 1100
Washington, DC 20005

Re: Consolidated Section 271 Compliance Review Programs for Michigan, Illinois, Indiana,
Ohio and Wisconsin; EB-03-IH-0415

Dear Ms. Thomas:

As you know, the Commission recently granted SBC Communications, Inc. ("SBC") authority to provide in-region interLATA services in Michigan, Illinois, Indiana, Ohio, and Wisconsin, pursuant to Section 271 of the Communications Act of 1934, as amended ("the Act").¹ As a consequence, the Enforcement Bureau ("Bureau") will now commence monitoring SBC's ongoing compliance with Section 271 in these states, as described below, pursuant to its Section 271 Compliance Review Program. This program is based on a structured and systematic approach to compliance review and enforcement. The Bureau has assigned a team of individuals from its Investigations and Hearings Division to work with SBC through the duration of the review and to monitor SBC's performance in Michigan, Illinois, Indiana, Ohio, and Wisconsin. The primary team members responsible for this review are Gary Schonman, Esq.; and Connie Hellmer and Larry McKinley, Auditors (the "Team").

During the review, the Team will closely review SBC's performance in subject matter areas that the Commission identified as areas of concern in its Orders. In this regard, we have attached a list of the areas about which the Commission expressed concern in the Orders. Although the Bureau will focus its review on these areas and relevant performance measurements, it may also monitor other areas not specifically identified in the Orders. Generally, the Team's review will occur in three phases.

¹ See *In the Matter of Application by SBC Communications, Inc., Michigan Bell Telephone Company, and Southwestern Bell Communications Services, Inc. for Authorization to Provide In-Region InterLATA Services in Michigan*, WC Docket No. 03-138, FCC 03-228, (rel. September 17, 2003); *In the Matter of Joint Application by SBC Communications Inc., Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, the Ohio Bell Telephone Company, Wisconsin Bell, Inc., and Southwestern Bell Communications Services, Inc. for Authorization to Provide In-Region InterLATA Services in Illinois, Indiana, Ohio, and Wisconsin*, WC Docket No. 03-167, FCC 03-243, (rel. October 15, 2003) (collectively, "Orders").

Phase 1: Phase 1 will span the initial six-month period following release of the October 15, 2003 Order. Within the next few days, a Team representative will contact SBC to schedule a planning meeting with SBC representatives. The purpose of this meeting will be to provide SBC with the opportunity to participate in developing the Review Program and to assist the Team in selecting the type and format of information pertaining to SBC's performance that the Team will review. SBC should be prepared to discuss the areas of concern identified by the Commission in its Orders and included in the attachment appended hereto. SBC should also be prepared to identify knowledgeable employees, applicable corporate records, and computer systems related to these areas. In addition, SBC should be prepared to provide the Team with names and contact information of employees who are authorized to respond to requests for information on behalf of the corporation.

Following this meeting, the Team will send a follow-up letter to SBC memorializing the discussions and describing the specific information that SBC will be responsible for submitting to the Team at the conclusion of Phase 1. The Team will also monitor SBC's performance during Phase 1 through its analysis of monthly carrier-to-carrier performance reports that the Commission, in its Orders, directed SBC to submit.

Phase 2: Phase 2 will span the second six-month period following release of the October 15, 2003 Order. On or about the commencement of Phase 2, the Team will direct another request to SBC for specific information. The information responsive to this request will be due at the end of Phase 2. At that time, SBC will also be required to update information previously provided to the Team and to provide additional information concerning its continuing performance in Michigan, Illinois, Indiana, Ohio, and Wisconsin. During Phase 2, the Team will continue to monitor SBC's performance through its analysis of SBC's monthly carrier-to-carrier reports. The Team will not limit its review in Phase 2 to performance data or information from only the second six-month period; rather, when evaluating the need for any further action, the Team will consider all of the post-authorization data and information.

Phase 3: Phase 3 will commence approximately one year following release of the Orders and may consist of less formal contacts and inquiries by the Bureau. The nature of the Team's oversight of SBC's compliance with Section 271 during Phase 3 will be determined by SBC's record of compliance during Phases 1 and 2.

At any time, the Team may ask SBC to provide additional information or to attend additional meetings with SBC employees who have expertise in specific subject matters. These additional inquiries may supplement existing requests or may encompass new inquiries.

If you have any general questions concerning the issues raised in this letter, please feel free to contact me at (202) 418-1420. You may also contact Trent Harkrader, Assistant Chief, Investigations & Hearings Division at (202) 418-2955. Thank you in advance for your cooperation.

Sincerely,

William H. Davenport
Deputy Division Chief
Investigations and Hearings Division
Enforcement Bureau

Attachment

Compliance Review Subjects for Michigan, Illinois, Indiana, Ohio, and Wisconsin²

MICHIGAN

- I. Checklist Item 2: Unbundled Network Elements
 - A. Access to Operations Support Systems
 - 1. Pre-Ordering
 - a. Pre-Ordering Interface Availability (See Order ¶ 62)
 - b. Loop Qualifications (See Order ¶¶ 63-64)
 - 2. Ordering
 - a. Performance Metrics (See Order ¶ 66)
 - b. Rejections (See Order ¶ 67)
 - c. Separate LSR Requirement (See Order ¶ 68)
 - d. Project Definition (See Order ¶ 69)
 - e. Other Ordering Issues (See Order ¶¶ 70-77)
 - 3. Provisioning
 - a. Provisioning Timeliness (See Order ¶ 79)
 - b. Provisioning Quality (See Order ¶ 80)
 - 4. Maintenance and Repair (See Order ¶¶ 81-86)
 - 5. Billing
 - a. Wholesale Bills (See Order ¶¶ 88-112)
 - b. Service Usage Reports (See Order ¶¶ 113-116)
 - 6. Change Management
 - a. Adequacy of Change Management (See Order ¶¶ 118-119)
 - b. Adequate Documentation (See Order ¶ 120)
 - c. Testing Environment (See Order ¶ 121)
 - d. Adherence to the CMP (See Order ¶¶ 122-126)

² As indicated in the letter to which this attachment is appended, the Bureau may, for enforcement purposes, monitor and evaluate SBC's performance in other subject matter areas and/or with other performance measures not expressly noted by the Commission in its Orders.

- II. Checklist Item 4: Unbundled Local Loops
 - 1. xDSL-Capable Loops (See Order ¶¶ 128-131)
 - 2. Voice-Grade Loops, Digital Loops, Dark Fiber and Hot Cuts (See Order ¶ 132)
 - 3. Line Sharing and Line Splitting (See Order ¶¶ 133-143)
- III. Checklist Item 7: Access to 911/E911
 - 1. Access to 911/E911 (See Order ¶¶ 144-150)
 - 2. Access to Operator Services/Directory Assistance (¶¶ 151-152)
- IV. Public Interest Analysis
 - 1. Other Issues
 - a. Penalty Waiver Agreement (See Order ¶¶ 177-180)
 - b. Security Deposits (See Order ¶¶ 181-182)

ILLINOIS, INDIANA, OHIO AND WISCONSIN

- I. Checklist Item 1: Interconnection (§§ 20-33)
- II. Checklist Item 2: Unbundled Network Elements
 - A. Access to Operations Support Systems
 - 1. Pre-Ordering (See Order §§ 88-95)
 - a. Pre-Order Interface Availability (See Order §§ 91-94)
 - b. Loop Qualifications (See Order § 95)
 - 2. Ordering (See Order §§ 96-104)
 - a. Performance Metrics (See Order § 97)
 - b. Rejections (See Order §§ 98-99)
 - c. Service Order Completion Notices (See Order § 100)
 - d. Other Ordering Issues (See Order §§ 101-104)
 - 3. Provisioning (See Order §§ 105-109)
 - 4. Maintenance and Repair (See Order §§ 110-112)
 - 5. Billing
 - a. Service Usage Reports (See Order § 114)
 - b. Wholesale Bills (See Order §§ 115-133)
 - 6. Change Management
 - a. Adequacy of Change Management (See Order § 136)
 - b. Competitive LEC Input (See Order § 137)
 - c. Testing Environment (See Order § 138)
 - d. Adherence to the CMP (See Order §§ 139-140)
- III. Checklist Item 4: Unbundled Local Loops
 - 1. xDSL-Capable Loops (See Order § 143)
 - 2. Voice-Grade Loops, Digital Loops, Dark Fiber and Hot Cuts (See Order § 144)
 - 3. Line Sharing and Line Splitting (See Order §§ 145-147)
 - 4. Facilities Provisioning (See Order §§ 148-149)
 - 5. Unbundled IDLC/NGDLC (See Order § 150)